STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING								AMENDED REI	FORM 3			
APPLICATION FOR PERMIT TO DRILL								1. WE	LL NAME and NU			
2. TYPE OF V	WORK							2 515	LD OR WILDCAT	Ute 23-3A-4-1		
	DR	ILL NEW WELL 🌘	REENTER P&A \	VELL DE	EPEN WELL			3. FIE	LD OR WILDCAT	WINDY RIDGE		
4. TYPE OF V	WELL	Oil W	/ell Coalbed	Methane Well: N	Ю			5. UN	IT or COMMUNIT	IZATION AGRE	EMENT NA	AME
6. NAME OF	OPERATOR		FINLEY RESOUR	CES INC				7. OP	ERATOR PHONE	817 231-8735		
8. ADDRESS	OF OPERATOR	P	O Box 2200, Fort We	orth, TX, 76113				9. OP	ERATOR E-MAIL awilkers	on@finleyresou	rces.com	
	LEASE NUMBER NDIAN, OR STATE 14-20-		1	1. MINERAL OW FEDERAL	NERSHIP INDIAN (I	STATE () FEE		IRFACE OWNERS	IAN STA	TE (FEE (III)
13. NAME O	F SURFACE OWN		ee') Coleman Mountain H	loldings, LLC				14. SI	JRFACE OWNER	PHONE (if box 435-671-2421		
15. ADDRES	S OF SURFACE C	OWNER (if box 12			T 84066			16. SI	JRFACE OWNER	E-MAIL (if box	12 = 'fee')
17. INDIAN A	ALLOTTEE OR TR		1	B. INTEND TO C	OMMINGLE	PRODUCTION	FROM	19. SI	ANT			
(if box 12 =			N	YES (Sub		gling Application	n) NO	VER	TICAL DIR	ECTIONAL 🔵	HORIZO	NTAL 🔵
20. LOCATI	ON OF WELL		FOO	ΓAGES	Q	TR-QTR	SECTION	1	TOWNSHIP	RANGE		MERIDIAN
LOCATION	AT SURFACE		486 FNL	1611 FWL		NENW	23		4.0 S	1.0 E		U
Top of Upp	ermost Producin	g Zone	486 FNL	1611 FWL		NENW	23		4.0 S	1.0 E		U
At Total De	epth		486 FNL	1611 FWL		NENW 23			4.0 S 1.0 E U			
21. COUNTY		NTAH	2	2. DISTANCE TO		LEASE LINE (Feet) 23. NUMBER OF ACRES IN DRILLING UNIT 486 40						
					PANCE TO NEAREST WELL IN SAME POOL ed For Drilling or Completed) 1200			26. PF	ROPOSED DEPTH MD	8000 TVD:	3000	
27. ELEVAT	ION - GROUND LE	EVEL 5157	2	B. BOND NUMB	OND NUMBER RLB0011294				29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8496			
			1 	Hole, Ca	sing, and	Cement Infor	mation					
String	Hole Size	Casing Size	e Length	Weight	Grade	& Thread	Max Mu	d Wt.	Cement	Sacks	Yield	Weight
COND	17.5	13.375	0 - 60	48.0	H-4	40 ST&C	0.0)	Class G	41	1.17	15.8
SURF	12.25	8.625	0 - 500	24.0	J-5	55 ST&C	8.0	3	Class G	359	1.15	15.8
PROD	7.875	5.5	0 - 8000	15.5	J-	55 LT&C	9.	5	50/50 Poz	873	1.24	13.2
					ATTAC	HMENTS						
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES												
WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					COMPLETE DRILLING PLAN							
AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER							
DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) TOPOGRAPHICAL MAP												
NAME Don Hamilton TITLE Agent					1		PHONE	435 719-2018				
SIGNATURE DATE 12/06/2012					2/06/2012			EMAIL s	tarpoint@etv.net			
	R ASSIGNED 1753382000	0		APPROV	AL		,	Brok	egill			
								Permi	t Manager			

Finley Resources, Inc. UTE 23-3A-4-1 486' FNL & 1611' FWL, NE/4 NW/4, Sec 23, T4S, R1E, U.S.B.&M. Uintah County, UT

Drilling Program

1. Formation Tops

Surface	5,157'
Green River	2,226'
Black Shale	6,308'
Uteland Butte	6,856'
Wasatch	7,001'
TD	8,000'

2. Depth to Oil, Gas, Water, or Minerals

Black Shale 6,308' - 6,856' (Oil) Uteland Butte 6,856' - TD (Oil)

Fresh water may be encountered in the Duchesne Formation, but is not expected below about 300'.

3. Pressure Control

Section BOP Description

Surface 12-1/4" diverter

Interm/Prod

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc for a 5M system.

A 5M BOP system will consist of 2 ram preventers (double or two singles) and an annular preventer (see attached diagram). A choke manifold rated to at least 5,000 psi will be used.

4. Casing

Description	Interval		Interval		Weight	Grade	Coup	Pore Press @	MW @	Frac Grad	S	afety Facto	rs
Description	Тор	Bottom	(ppf)	Grade	Coup	Shoe	Shoe	@ Shoe	Burst	Collapse	Tension		
Conductor	0'	60'	48	H-40	STC				1,730	770	322,000		
13 3/8	U	00	40	H-40	310								
Surface	0'	0'	500'	24	J-55	STC	8.33	8.6	11	2,950	1,370	244,000	
8 5/8	U	300	24	J-55 SIC		510 6.55	0.0	11	11.59	8.25	20.33		
Production	0' 8.00	0' 8 000'	0' 8.000' 15.5 J-5	0' 8.000'	J-55	J-55 LTC	9	0.5	11	4,810	4,040	217,000	
5 1/2	U	8,000	13.3	J-33	LIC	9	9.5	11	1.63	1.28	1.75		

Assumptions:

Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)

Intermediate casing MASP = (reservoir pressure) - (gas gradient)

Production casing MASP = (reservoir pressure) - (gas gradient)

All collapse calculations assume fully evacuated casing with a gas gradient

All tension calculations assume air weight of casing

Gas gradient = 0.1 psi/ft

All casing shall be new. Top Joint of surface casing will be J-55 STC 32 ppf casing. All casing strings shall have a minimum of 1 centralizer on each of the bottom 3 joints.

5. Cement

Job Hole Size Fill		Fill	Slurry Description	ft ³	ОН	Weight	Yield
300	Hole Size	FIII	Starry Description	sacks	excess	(ppg)	(ft ³ /sk)
Conductor	17 1/2	60'	Class G w/ 2% KCl + 0.25 lbs/sk Cello	48	15%	15.8	1.17
Conductor	17 1/2	00	Flake	41	1370	13.8	1.17
Surface	12 1/4	500'	Class G w/ 2% KCl + 0.25 lbs/sk Flocele	413	100%	15.8	1.15
Lead	12 1/4	300	Class G w/ 2/0 KCl + 0.25 lbs/sk l locele	359	100%	15.6	1.13
Production	7 7/8	5.000'	50/50 Poz/Class G w/ 3% KCl + 2%	1083	25%	13.2	1.24
Tail	7 7/6	3,000	bentonite	873	25%	13.2	1.24

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the production casing string will be calculated from an open hole caliper log, plus 25% excess.

6. Type and Characteristics of Proposed Circulating Medium

Interval Description

Surface - 500' An air and/or fresh water system will be utilized.

500' - TD A water based mud system will be utilized. Hole stability may be improved

with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite,

and if conditions warrant, with barite.

Anticipated maximum mud weight is 9.5 ppg.

7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the

surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A cement bond log will be run from PBTD to

the cement top behind the production casing.

Cores: As deemed necessary.

DST: There are no DST's planned for this well.

8. Anticipated Abnormal Pressure or Temperature

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.47 psi/ft gradient.

$$8,000' \text{ x} \quad 0.47 \quad \text{psi/ft} = 3744 \quad \text{psi}$$

No abnormal temperature is expected. No H₂S is expected.

9. Other Aspects

This is planned as a vertical well.

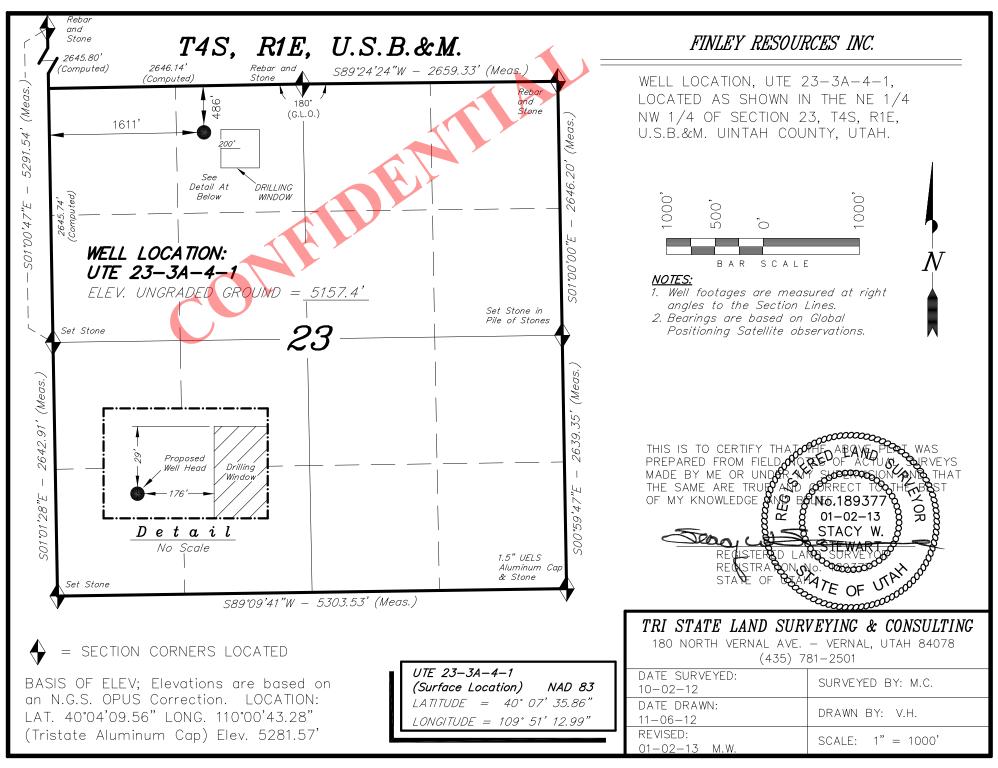
Variance Request for FIT Requirements:

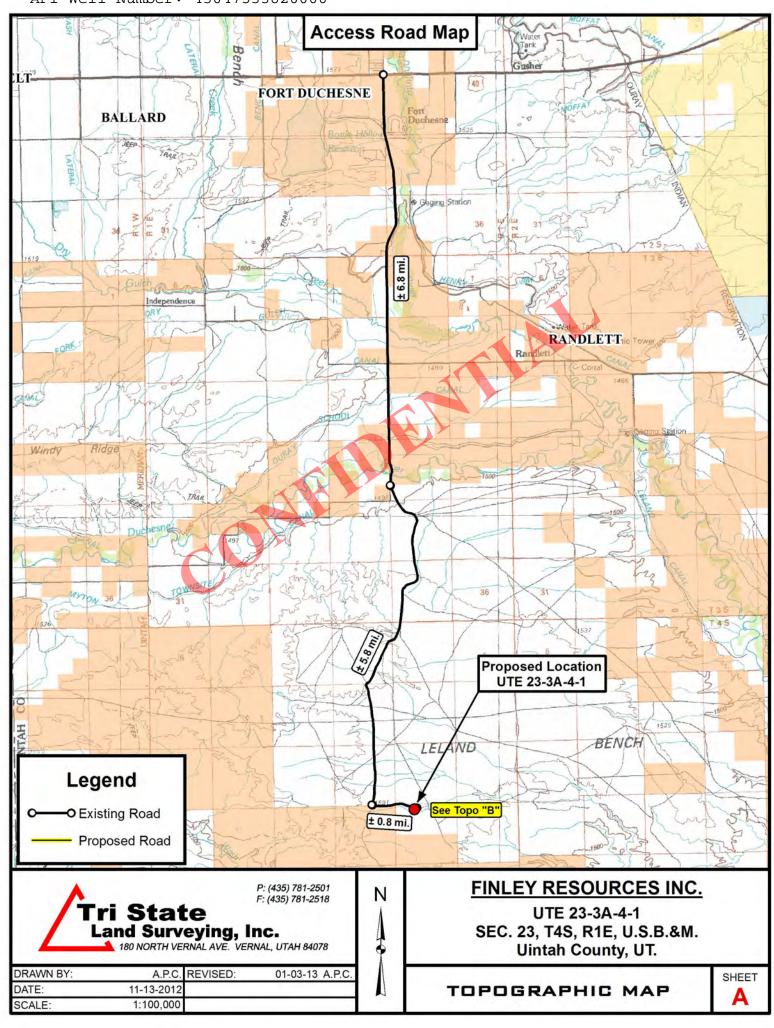
Finley Resources, Inc. respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the Pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

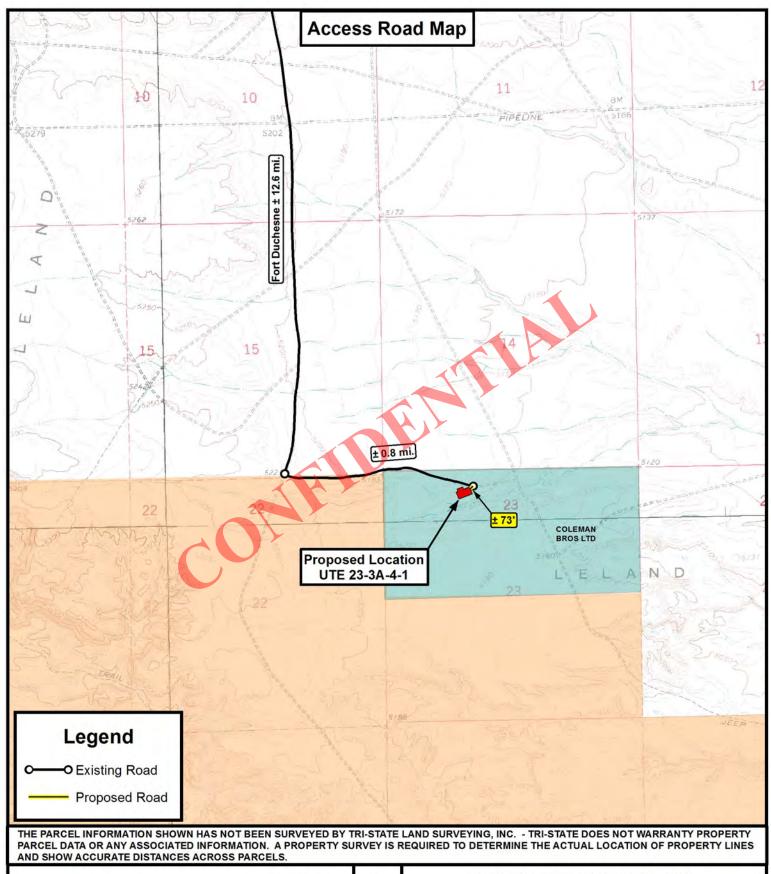
Variance Request for Air Drilling Requirements:

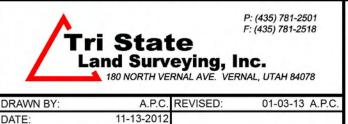
Finley Resources, Inc. respectfully requests a variance to Onshore Order #2, III.E.1

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore. Variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the wellbore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance granted for igniter due to water mist.
- Air drilling operations will be conducted only during drilling of the surface casing
 hole, there is no history of hydrocarbons being encountered in this hole section in
 the area where these wells are to be drilled.









1 " = 2,000

SCALE:

FINLEY RESOURCES INC.

UTE 23-3A-4-1 SEC. 23, T4S, R1E, U.S.B.&M. Uintah County, UT.

TOPOGRAPHIC MAP

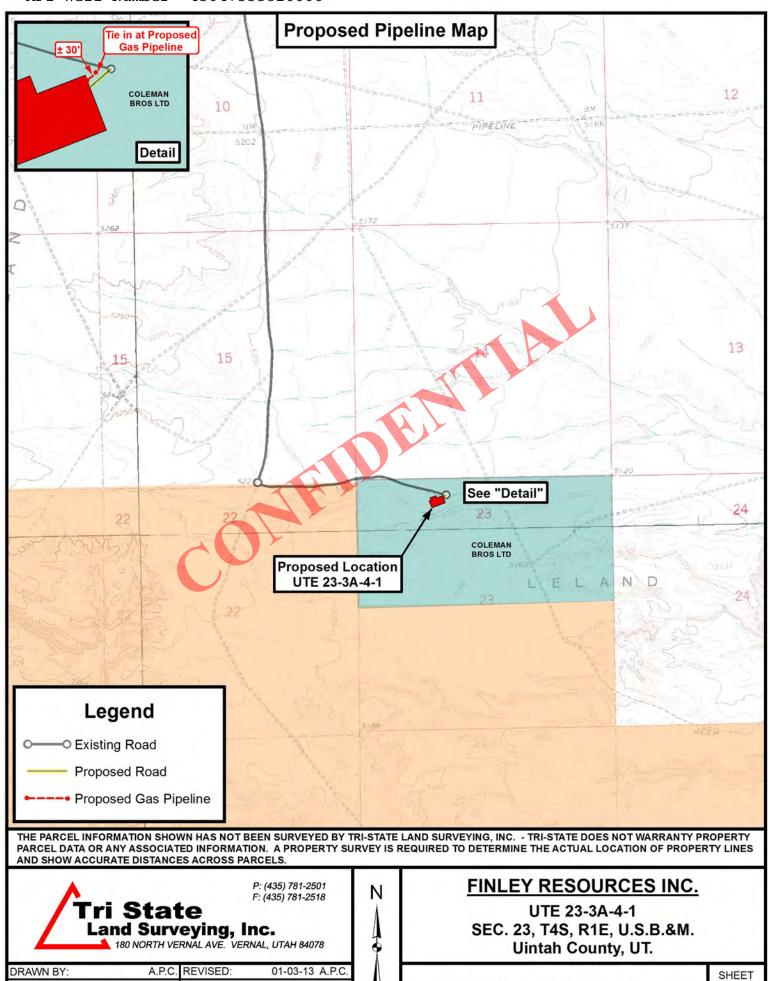


DATE:

SCALE:

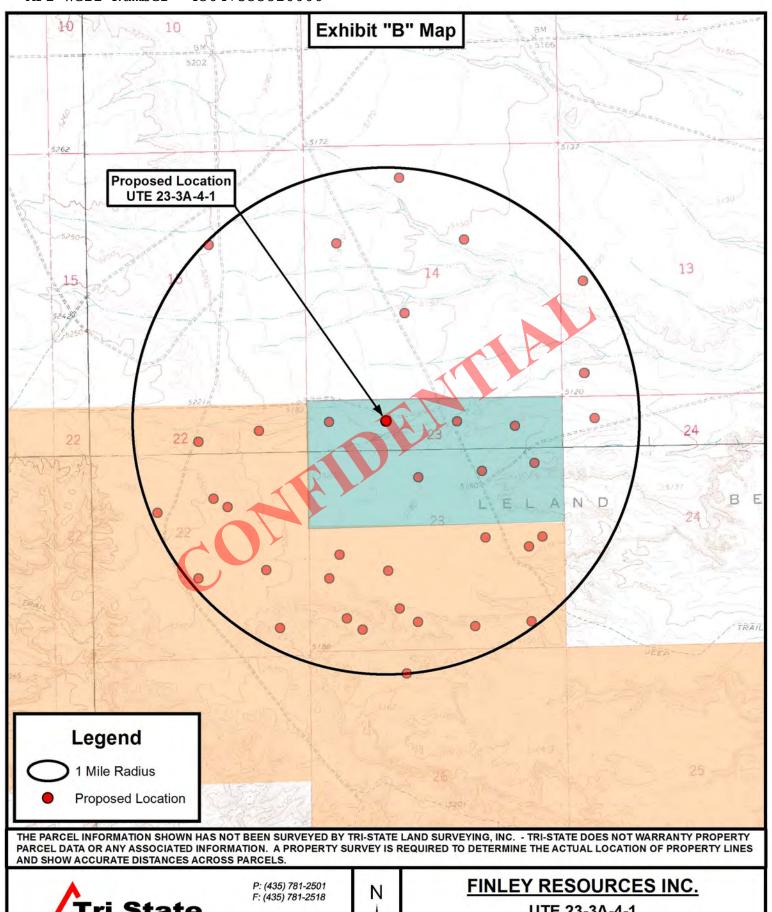
11-13-2012

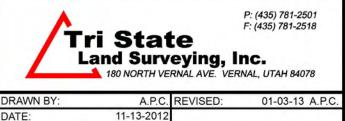
1 " = 2,000



C

TOPOGRAPHIC MAP





1 " = 2,000

SCALE

UTE 23-3A-4-1 SEC. 23, T4S, R1E, U.S.B.&M. Uintah County, UT.

TOPOGRAPHIC MAP

SHEET

MEMORANDUM OF SURFACE USE AGREEMENT AND GRANT OF EASEMENTS

WHEREAS, Salradus, L.L.C., Bonnie Coleman managing member, whose address is 148 West Center Street, Heber City, UT 84032, Coleman Mountain Holdings, L.L.C., Mary Jo Coleman Adamson managing member, whose address is P.O. Box 610, Roosevelt, UT 84066, Joseph N. Coleman, Trustee of the Coleman Family Trust, dated June 7, 1991, whose address is 393 East Center, Heber City, UT 84032, and Leila Coleman, Trustee of the Coleman Family Trust dated June 28, 1991, whose address is 950 South 400 East #112, St. George, UT 84770 (hereinafter collectively referred to as "Coleman"), and Uintah Resources, Inc. whose address is 3165 E. Millrock Drive, Suite 550, Salt Lake City, UT 84121 ("Optionee"") (Coleman and Optionee are hereinafter collectively referred to as "Owner") and Finley Resources, Inc., whose address is P.O. Box 2200, Fort Worth, Texas, 76113 ("Operator"), have entered into that certain Easement, Right-of-Way and Surface Use Agreement, hereinafter the "SUA", dated effective Agr. \(\frac{2-1+\dots}{2-1+\dots}\), 2012 covering the following lands owned by Owner in Uintah County, Utah, to wit:

Township 4 South. Range 1East, U.S.M.

Section 13: All Section 16: All Section 23: N/2

hereinafter the "Lands"

WHEREAS, in the SUA Owner grants and conveys unto Operator a non-exclusive right to enter upon and use the Lands and Owner's adjacent lands for certain oil and gas related purposes, together with a right-of-way across the Lands to maintain and construct access roads, well sites, holding tanks and other such related facilities necessary for Operators oil and gas operations.

This Memorandum of Surface and Damage Agreement shall serve as notice of the agreement covering the Lands and that the SUA is binding upon Owner and Operator's respective successors and/or assigns.

The terms and provisions of the unrecorded SUA are referred to and incorporated herein, and made a part hereof to the same extent as though set out verbatim. Should any conflict arise between the terms of this Memorandum of Surface Use Agreement and Grant of Easements and the SUA, the terms of the SUA shall control.

Executed this 24 day of April 2012.

alradus tota Lomios Lollmon

OWNER:

Salradus, L.L.C.

Bonnie S. Coleman, managing member

148 West Center Street Heber City, UT 84032

Coleman Mountain Holdings, L.L.C.

Mary To Coleman Adamson, Managi

Mary Jo Coleman Adamson, Managing Member

P.O. Box 610

Roosevelt, UT 84066

Coleman Family Trust Joseph N. Coleman, Trustee 393 East Center

Heber City, UT 84032

The Coleman Family Trust Leila Coleman, Trustee 950 South 400 East #112 St. George, UT 84770

Uintah Resources, Inc.

By: Todd Dana Its: President

OPERATOR:

Finley Resources Inc. By: Clinton Koerth Its: Vice President

Coleman Mountain Holdings, L.L.C. Mary To Coleman, managing member. 100 N. Mesa Circle. PO Box 610 Rossevelt, UT 84066

Coleman Family Trust Joseph N. Coleman, Trustee 393 East Center Heber City, UT 84032

The Coleman Family Trust Leila Coleman, Trustee 950 South 400 East #112 St. George, UT 84770

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Its: President

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Coleman Mountain Holdings, L.L.C

Mary To Coleman Adamson, Managing Member

P.O. Box 610

Roosevelt, UT 84066

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The Coleman Family Trust

Leila Coleman, Trustee 950 South 400 East #112

St. George, UT 84770

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Finley Resources Inc. By: Clinton Koerth

Its: Vice President

API Weilal Collemban, Trustod 7533820000 950 South 400 East #112 St. George, UT 84770

Uintah Resources, Inc.

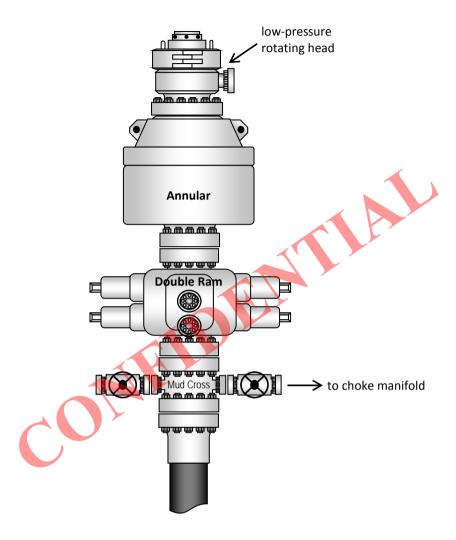
By: Todd Dana Its: President

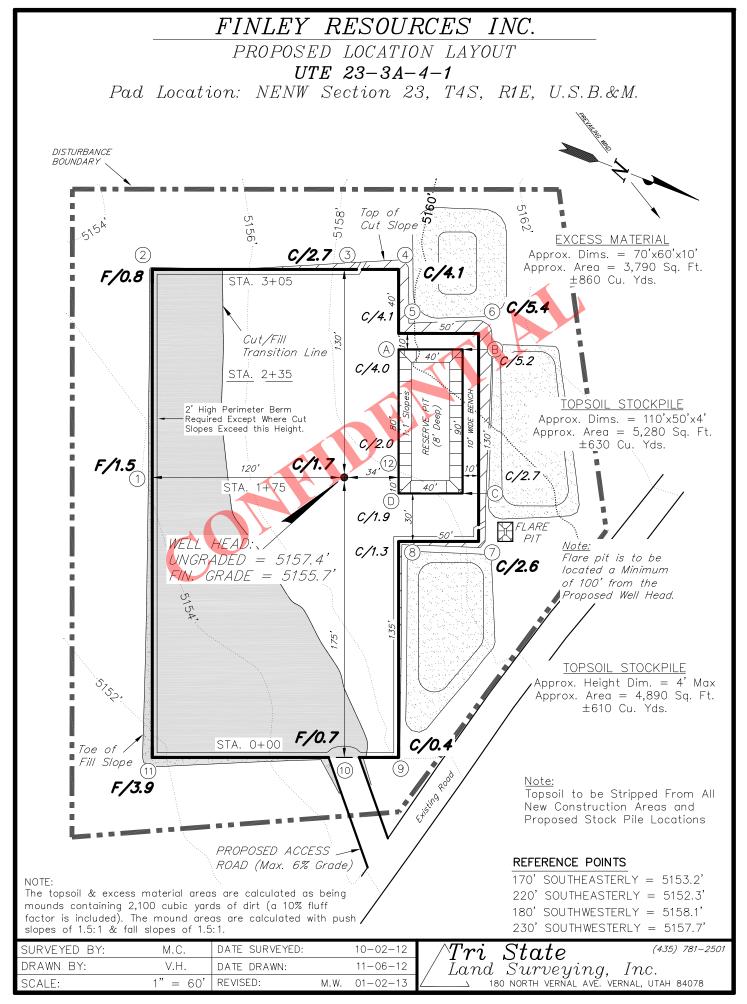
OPERATOR:

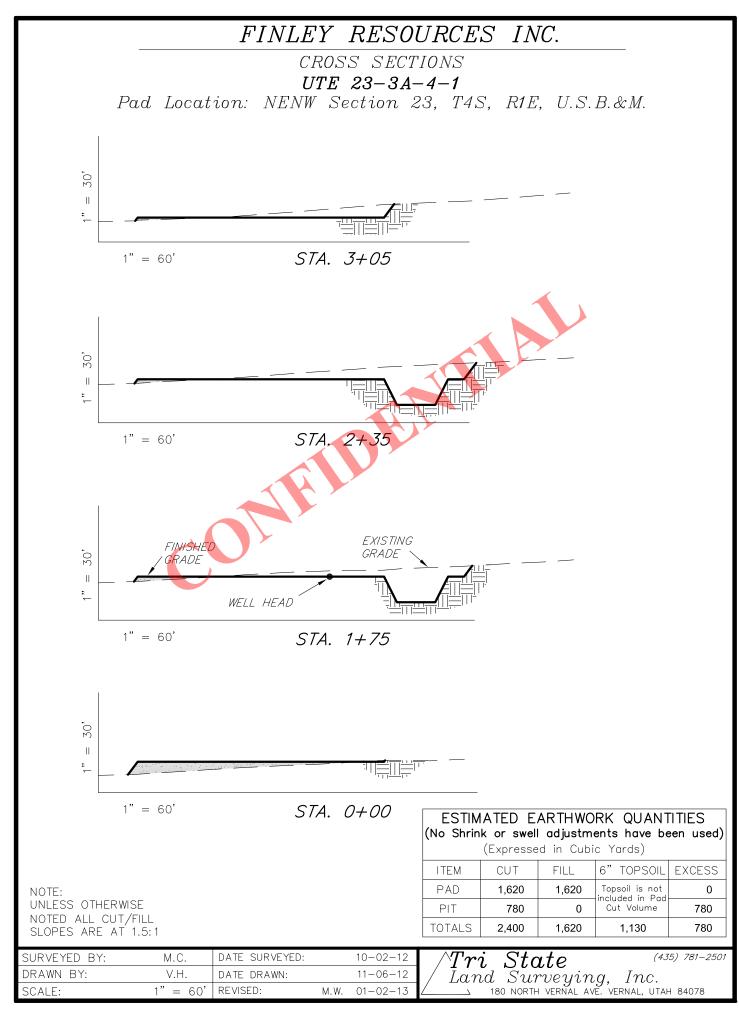
Finley Resources Inc.

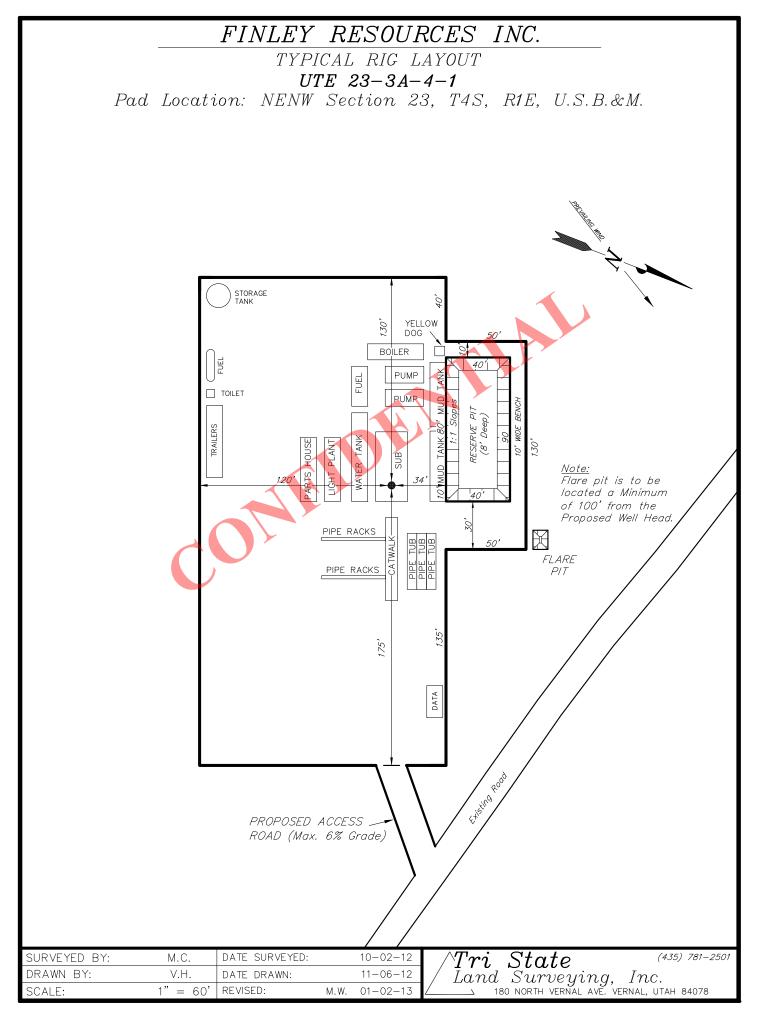
By: Clinton Koerth Its: Vice President

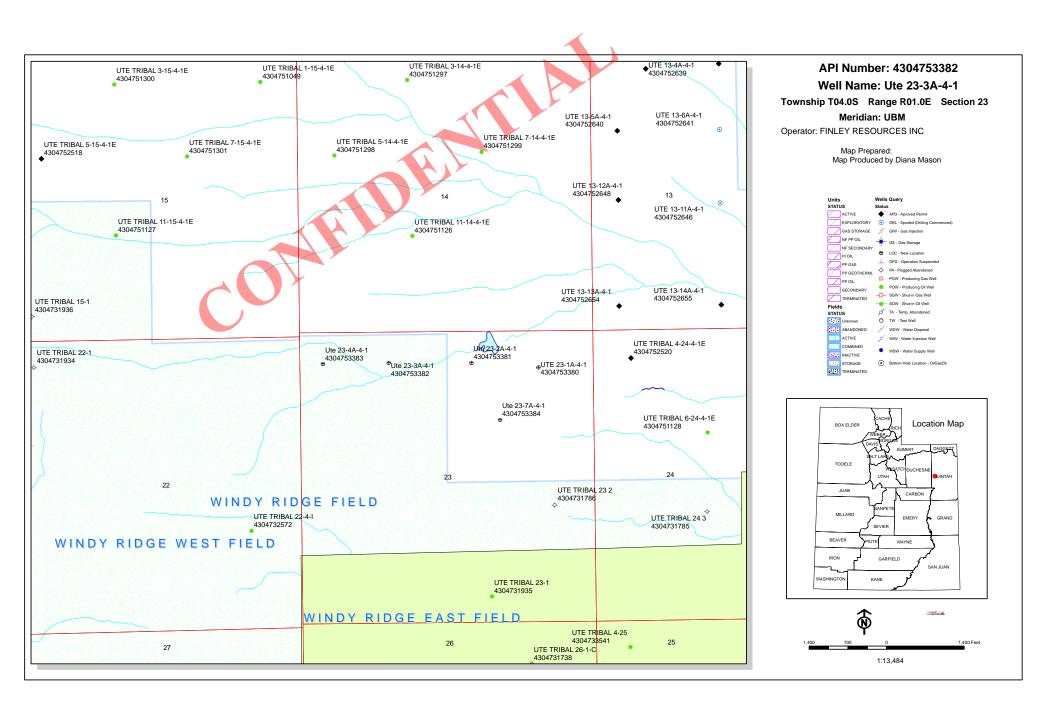
Typical 5M BOP stack configuration













2580 Creekview Road Moab, Utah 84532 435/719-2018

December 8 2012

Mrs. Diana Mason State of Utah Division of Oil Gas and Mining P.O. Box 145801 Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Finley Resources, Inc. – **Ute 23-3A-4-1** 486' FNL & 1611' FWL, NE/4 NW/4, Section 23, T4S, R1E, USB&M Uintah County, Utah

Dear Diana:

Finley Resources, Inc. respectfully submits this request for exception to spacing (R649-3-2) based on topography since the well is located less than 460 feet to the drilling unit boundary. Finley Resources, Inc. is the only owner and operator within 460 feet of the surface and target location as well as all points along the intended well bore path and are not within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact Zachary Archer of Finley Resources, Inc. at 817-231-8759 or myself should you have any questions or need additional information.

Sincerely,

Don Hamilton Agent for Finley Resources, Inc.

cc: Zachary Archer, Finley Resources, Inc.

RECEIVED: December 08, 2012

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator FINLEY RESOURCES INC

Well Name Ute 23-3A-4-1

API Number 43047533820000 APD No 7256 Field/Unit WINDY RIDGE

Location: 1/4,1/4 NENW Sec 23 Tw 4.0S Rng 1.0E 486 FNL 1611 FWL

GPS Coord (UTM) 597675 4442443 Surface Owner Coleman Mountain Holdings, LLC

Participants

W. Civish - BLM; J. Burns - StarPoint; J. Simonton - Finley Resources; D. Slaugh - Tristate; Scott Coleman - landowner

Regional/Local Setting & Topography

This location is on the Leland Bench in Uintah County. The region is fairly flat atop a bench with an environmentally sensitive area (Odekirk Springs and Parriette wetland) South and prime farmland miles below to the North. There was noticed some evidence of overland flow in the area but channels are rather shallow and desert shrub vegetation sparse. This particular location is 12 miles south of Fort Duchesne. The topography slopes gently southwest and a mapped ephemeral drainage is found off location south.

Surface Use Plan

Current Surface Use

Grazing

New Road
Miles

Well Pad
Src Const Material
Surface Formation

0 Width 40 Length 90 Onsite UNTA

Ancillary Facilities N

operator has plans to import 4 inches of 3"- rock as a cap

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

High desert shrubland ecosystem. Expected vegetation consists of black sagebrush, shadscale, Atriplex spp., mustard spp, rabbit brush, horsebrush, broom snakeweed, Opuntia spp and spring annuals.

Dominant vegetation;

Galletta, ricegrass and mat atriplex surround the proposed site.

Wildlife;

Adjacent habitat contains forbs that may be suitable browse for deer, antelope, prairie dogs or rabbits, though none were observed.

BLM had no issues. Location is within the cactus polygon but none were found during a survey.

Soil Type and Characteristics

Clayey gravelly loam

RECEIVED: January 16, 2013

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

drainage outside of pad footprint

Berm Required? Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? Y

Reserve Pit

Site-Specific Factors	Site Ran	king	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)		20	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	>1320	0	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	40	1 Sensitivity Level

Characteristics / Requirements

A 40' x 80' x 8' deep reserve pit is planned in an area of cut on the north side of the location. A pit liner is required. Operator commonly uses a 16 mil liner with a felt underliner. Pit should be fenced to prevent entry by deer, other wildlife and domestic animals. A minimum freeboard of two feet shall be maintained at all times. Pit to be closed within one year after drilling activities are complete.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? N

Other Observations / Comments

well head is outside the drilling window. No one knows why.

Location is within the BLM cactus polygon but none are known in immediate area

Chris Jensen 12/20/2012
Evaluator Date / Time

RECEIVED: January 16, 2013

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
7256	43047533820000	LOCKED	OW	P	No
Operator	FINLEY RESOURCES IN	NC	Surface Owner-Al	PD Coleman Mour Holdings, LLC	ntain
Well Name	Ute 23-3A-4-1		Unit	-	
Field	WINDY RIDGE		Type of Work	DRILL	
Location	NENW 23 4S 1E	U 486 FN	L 1611 FWL GPS	Coord	

Geologic Statement of Basis

(UTM)

The mineral rights for the proposed well are owned by the Ute Tribe. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

Brad Hill **APD Evaluator**

597666E

4442427N

1/10/2013 **Date / Time**

Surface Statement of Basis

Location is proposed in a good location although outside the spacing window. Access road enters the pad from the East. The landowner was in attendance for the pre-site inspection. The soil type and topography at present do not combine to pose a significant threat to erosion or sediment pollution transport in these regional climate conditions.

Construction standards of the Operator appear to be adequate for the proposed purpose as submitted.

I recognize no special flora or animal species or cultural resources on site that the proposed action may harm. The location was previously surveyed for cultural and paleontological resources as the operator saw fit and found potential for cultural. I have advised the operator take all measures necessary to comply with ESA and MBTA and that actions insure no disturbance to TES species that may have not been seen during onsite visit.

The location should be bermed to prevent spills from leaving the confines of the pad. Fencing around the reserve pit will be necessary once the well is drilled to prevent wildlife and livestock from entering. A synthetic liner of 16 mils (minimum) should be utilized in the reserve pit. Operator has plans to submit an exception to location.

Chris Jensen 12/20/2012
Onsite Evaluator Date / Time

Conditions of Approval / Application for Permit to Drill

Category Condition

Pits A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in

the reserve pit.

Surface The well site shall be bermed to prevent fluids from leaving the pad.

Surface The reserve pit shall be fenced upon completion of drilling operations.

RECEIVED: January 16, 2013

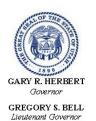
WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/6/2012 API NO. ASSIGNED: 43047533820000 WELL NAME: Ute 23-3A-4-1 **OPERATOR:** FINLEY RESOURCES INC (N3460) PHONE NUMBER: 435 719-2018 **CONTACT:** Don Hamilton PROPOSED LOCATION: NENW 23 040S 010E **Permit Tech Review: SURFACE: 0486 FNL 1611 FWL Engineering Review: BOTTOM: 0486 FNL 1611 FWL** Geology Review: **COUNTY: UINTAH LATITUDE**: 40.12650 ONGITUDE: -109.85372 **UTM SURF EASTINGS: 597666.00** NORTHINGS: 4442427.00 FIELD NAME: WINDY RIDGE LEASE TYPE: 2 - Indian **LEASE NUMBER:** 14-20-H62-4902 PROPOSED PRODUCING FORMATION(S): GREEN RIVER SURFACE OWNER: 4 - Fee **COALBED METHANE: NO RECEIVED AND/OR REVIEWED: LOCATION AND SITING:** ✓ PLAT R649-2-3. Bond: STATE - RLB0011294 Unit: **Potash** R649-3-2. General Oil Shale 190-5 Oil Shale 190-3 R649-3-3. Exception **Drilling Unit** Oil Shale 190-13 Board Cause No: R649-3-3 Water Permit: 43-8496 **Effective Date: RDCC Review: Fee Surface Agreement** Siting: Intent to Commingle R649-3-11. Directional Drill **Commingling Approved**

Comments: Presite Completed

Stipulations: 1 - Exception Location - dmason

4 - Federal Approval - dmason 5 - Statement of Basis - bhill 23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Ute 23-3A-4-1
API Well Number: 43047533820000
Lease Number: 14-20-H62-4902
Surface Owner: FEE (PRIVATE)
Approval Date: 1/16/2013

Issued to:

FINLEY RESOURCES INC, PO Box 2200, Fort Worth, TX 76113

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being

drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

 Within 24 hours following the spudding of the well - contact Carol Daniels OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
 - contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
- Dustin Doucet 801-538-5281 office

801-733-0983 - after office hours

• Dan Jarvis 801-538-5338 - office

801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
 - Requests to Change Plans (Form 9) due prior to implementation
 - Written Notice of Emergency Changes (Form 9) due within 5 days
- \bullet Notice of Operations Suspension or Resumption (Form 9) due prior to implementation

Report of Water Encountered (Form 7) - due within 30 days after completion
Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

Form 3160-3 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

RECEIVED

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

Lease Serial No

JAN 1 1 2013

1420H624902 APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allottee or Tribe Name la. Type of Work: DRILL REENTER If Unit or CA Agreement, Name and No. Lease Name and Well No. Oil Well 1b. Type of Well: Gas Well Other UTE 23-3A-4-1 ☐ Single Zone Multiple Zone 2. Name of Operator Contact: DON S HAMILTON 9. API Well No. FINLEY RESOURCES, INC. E-Mail: starpoint@etv.net 43.047-53382 3a. Address 3b. Phone No. (include area code) Field and Pool, or Exploratory P.O. BOX 2200 Ph: 435-719-2018 N/A FT. WORTH, TX 76113 Fx: 435-719-2019 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or Blk. and Survey or Area At surface NENW 486FNL 1611FWL 40.126628 N Lat, 109.853608 W Lon Sec 23 T4S R1E Mer UBM At proposed prod. zone NENW 486FNL 1611FWL 40.126628 N Lat, 109.853608 W Lon 14. Distance in miles and direction from nearest town or post office* 13.4 MILES SOUTH OF FT DUCHESNE, UTAH 12. County or Parish 13. State UINTÁH UT 15. Distance from proposed location to nearest property or 16. No. of Acres in Lease 17. Spacing Unit dedicated to this well lease line, ft. (Also to nearest drig. unit line, if any) 640.00 18. Distance from proposed location to nearest well, drilling 19. Proposed Depth 20. BLM/BIA Bond No. on file completed, applied for, on this lease, ft. 8000 MD RLB0011294 8000 TVD 21. Elevations (Show whether DF, KB, RT, GL, etc. 22. Approximate date work will start Estimated duration 5157 GL 01/20/2013 60 DAYS المالية الأفتاب 24. Attachments IN 0 4 2013 The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form: 1. Well plat certified by a registered surveyor. Bond to cover the operations unless covered by an existing bond on file (see A Drilling Plan. Item 20 above) 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification

SUPO shall be filed with the appropriate Forest Service Office).

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) DON S HAMILTON Ph: 435-719-2018	Date 01/08/2013		
Title PERMITTING AGENT				
Approved by (Signature)	Name (Printed/Typed) Jerry Kenczka	MAY 3 1 2013		
Assistant Field Manager Lands & Mineral Resources	VERNAL FIELD OFFICE			

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL ATTACHED Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #179035 verified by the BLM Well Information System For FINLEY RESOURCES, INC., sent to the Vernal Committed to AFMSS for processing by ROBIN R. HANSEN on 01/15/2013 ()

NOTICE OF APPROVAL

Additional Operator Remarks:

Proposed Vertical wellbore; Private surface and Tribal Mineral Surface Owner - Coleman Family (Mary Jo Coleman) P.O. Box 610, Roosevelt, UT 84066; 435-671-2421. A memorandum of surface use agreement and grant of easements has been attached. Mineral ownership? Ute Indian Tribe - 988 South 7500 East; Ft. Duchesne, Utah 84026; 435-725-4982.



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	FINLEY RESOURCE, INC.	Location:	NENW SEC. 23 T4S R1E
Well No:	UTE 23-3A-4-1	Lease No:	142OH624902
API No:	43-047-53382	Agreement:	

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	_	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm.ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	_	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: UTE 23-3A-4-1 5/31/2013

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- Paint all production facilities and equipment, not otherwise regulated (OSHA, etc.), Covert Green.
- All areas of disturbance (including surface pipelines) must have appropriate surface use agreements or approvals in place with the proper owner and/or agency before such action is started.
- The conditions of approval, as set forth by those owners and/or agencies, shall be adhered to.

Page 3 of 6 Well: UTE 23-3A-4-1

5/31/2013

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Cement for the production casing shall be brought up to a minimum of 200 feet above the surface casing shoe.
- Variances shall be granted as requested in the APD under Section 9 of the Drilling Program.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
 daily drilling report. Components shall be operated and tested as required by Onshore Oil &
 Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
 performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be
 reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
 is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
 Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person

Page 4 of 6 Well: UTE 23-3A-4-1 5/31/2013

making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well by CD (compact disc).
 This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written
 communication and must be received in this office by not later than the fifth business day
 following the date on which the well is placed on production. The notification shall provide, as a
 minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

Page 5 of 6 Well: UTE 23-3A-4-1 5/31/2013

- o Unit agreement and/or participating area name and number, if applicable.
- o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
 Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API
 standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All
 measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
 to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
 first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
 adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
 sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior
 approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
 before resumption of operations.

Page 6 of 6 Well: UTE 23-3A-4-1 5/31/2013

• Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

 Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well; in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration. AUG 1 5 2013

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator Finley Resources, Ir	nc. Rig Name/#
	Phone Number <u>435-630-1023</u>
Well Name/Number Ute 23-3	A-4-1
Qtr/Qtr NENW Section 23	Township <u>4S</u> Range <u>1E</u>
Lease Serial Number 1420H6	<u> </u>
API Number <u>43-047-53382</u>	
<u>Spud Notice</u> – Spud is the ir out below a casing string.	nitial spudding of the well, not drilling
Date/Time	AM PM
Casing – Please report time times. Surface Casing Intermediate Casing Production Casing Liner Other Date/Time	casing run starts, not cementing
BOPE Initial BOPE test at sur BOPE test at intermedi 30 day BOPE test Other	face casing point
Date/Time	AM PM
Remarks This location has bee	en constructed and a spot check of by Uinta Paleo.

SUBMIT AS EMAIL

Print Form

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Spud Notice — Spud is the initial spudding of the well, not drilling out below a casing string. Date/Time 08/20/2013 8:00 AM ✓ PM ☐ Casing — Please report time casing run starts, not cementing times. Surface Casing Intermediate Casing
Casing – Please report time casing run starts, not cementing times. Surface Casing
times. Surface Casing
Production Casing Liner Other
Date/Time AM
BOPE Initial BOPE test at surface casing point BOPE test at intermediate casing point 30 day BOPE test Other
Date/Time AM
Remarks Will spud 24 conductor hole and bucket drill to 42' and run 40' of 16" conductor and grout in & install cellar ring.

RECEIVED

AUG 1 9 2013

CONFIDENTIAL

FINLEY RESOURCES, INC. NOTIFICATION FORM—STATE, UTE TRIBE, BIA., BLM

OPERATOR: FINLEY RESOURCES, INC.

RIG NAME: Pro-Petro

SUBMITTED BY: JIM SIMONTON

PHONE #: 435-630-1023

WELL NAME/NUMBER: Ute 23-3A-4-1

QTR/QTR: NENW

SEC.: 23

T: 4S

R: 1E

LEASE SN: 14-20-H62-4902

API #: 43-047-53382

LOCATION CONSTRUCTION START DATE:

LOCATION CONSTRUCTION FINISH DATE:

CONDUCTOR SPUD NOTICE: DATE: TIME:

SURFACE SPUD NOTICE: DATE: 12/3/13

TIME: 10:00AM

SURFACE CSG.CEMENT NOTICE: DATE: 12/4/13

TIME: noon

REMARKS: Times are estimated.

RECEIVED DEC 0 2 2013

DIV. OF OIL, GAS & MINING

BLM - Vernal Field Office - Notification Form

_Submitted By Well Name/Nu Qtr/Qtr <u>NENW</u>	y Resources Rig N Lynn Rich Phone I Imber <u>UTE 23-3A-4</u> Section 16 Townsh umber 1420-H62-4 3-047-53382	Number <u>(435) 83</u> - <u>1</u> nip <u>4S</u> Range 1E	<u>28-0601</u>
Spud Notice – out below a ca	Spud is the initial satisfies	spudding of the	well, not drilling
Date/Tim	e	AM [] PM []
times. Surface C	iate Casing	g run starts, not	cementing
Date/Tim	e /	AM PM	
	PE test at surface of t at intermediate ca OPE test	J 1	RECEIVED DEC 2 (1) 2013 DIV. OF OIL, GAS & MINING
Date/Tim	e <u>12/20/2013</u>	<u>5:00</u> AM	PM 🖂
Remarks			

	STATE OF UTAH DEPARTMENT OF NATURAL RESOUR				FORM 9
ſ		ESIGNATION AND SERIAL NUMBER: 62-4902			
SUNDR	6. IF INDIA	N, ALLOTTEE OR TRIBE NAME:			
Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form	7.UNIT or 0	CA AGREEMENT NAME:			
1. TYPE OF WELL Oil Well	8. WELL NA Ute 23-3	AME and NUMBER: 3A-4-1			
2. NAME OF OPERATOR: FINLEY RESOURCES INC				9. API NUM 4304753	BER: 3820000
3. ADDRESS OF OPERATOR: PO Box 2200 , Fort Worth,	TX, 76113 817 231-		NE NUMBER: Ext	9. FIELD at	nd POOL or WILDCAT: IDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0486 FNL 1611 FWL				COUNTY: UINTAH	
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NENW Section: 2	HP, RANGE, MERIDIAN: 23 Township: 04.0S Range: 01.0E Me	ridian:	U	STATE: UTAH	
11. CHECI	K APPROPRIATE BOXES TO INDICA	ATE N	ATURE OF NOTICE, REPOR	T, OR OTI	HER DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
	ACIDIZE		ALTER CASING	□ c	ASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS		CHANGE TUBING	□ c	HANGE WELL NAME
	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS	□ c	ONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	☐ F	FRACTURE TREAT	□ N	EW CONSTRUCTION
	OPERATOR CHANGE	F	PLUG AND ABANDON	P	LUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	☐ F	RECLAMATION OF WELL SITE	□ R	ECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL	□т	EMPORARY ABANDON
	TUBING REPAIR		/ENT OR FLARE	□ w	ATER DISPOSAL
✓ DRILLING REPORT Report Date:	WATER SHUTOFF		SI TA STATUS EXTENSION	□ A	PD EXTENSION
5/18/2014	WILDCAT WELL DETERMINATION		OTHER	OTHER:	
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show	all pe	rtinent details including dates, d	epths, volui	mes, etc.
				Ui Oil,	ccepted by the tah Division of Gas and Mining
NAME (DI EASE BRINT)	DUONE NUM	DED	TITLE		
April Wilkerson	PHONE NUM 817 231-8735	DEK	Reg & Enviro Analyst		
SIGNATURE N/A			DATE 7/14/2014		

RECEIVED: Jul. 14, 2014

Well Name: UTE 23 3A-4-1

UTE 23 3A-4-1 12/21/2013 1 MIRU Capstar #328. NU BOPE and flowline. Hold safety mtg.and test blind and pipe rams and valves and choke and kill lines to 3000# and annular to 1500# and csg.to 1500#. Install wear busining. Load and PU BHA and tag cement at 475'. Drill cement and float and shoe at 475' to 523'. Drill new hole from 523' to 678'.

UTE 23 3A-4-1 12/22/2013 2 Drilling from 678' to 3400'. RS and function test. Surveys (5).

UTE 23 3A-4-1 12/23/2013 3 Drilling from 3400 to 4800. RS. Surveys (3).

UTE 23 3A-4-1 12/24/2013 4 Drilling from 4800' to 6100'. RS and function test rams. Surveys (2).

UTE 23 3A-4-1 12/25/2013 5 Drilling from 6100' to 7266'. Surveys (3). RS and function test BOP's. Lost circ.and mix.LCM sweeps.

UTE 23 3A-4-1 12/26/2013 6 Drill from 7266' to TD of 7545'. Circ.up sample and pump sweep and pump 230 bbl.of high vis.10 ppg brine and drop survey. LDDP and BHA--no tight spots. Safety mtg.and RU Halliburton loggers and tag WL TD at 7540'. Ran logs and RD loggers..

UTE 23 3A-4-1 12/27/2013 7 RD loggers and equipment. Pull wear bushing. RU and run production csg.to 3000'. Break circ.at 3000'. Cont.to run csg.to 5000'. Break circ.at 5000'. Cont.to run 5-1/2" prod.csg. Ran a total of 178 jts.of new 5-1/2" 15.5# LT&C J-55 csg.and land csg.at 7530' after tagging at 7545'. Circ.csg.and RU Halliburton cementers and hold safety mtg... Test lines and cement prod.string with 400 sxs.of 10.5 ppg lead and 700 sxs.12 ppg tail and wash up and drop plug and displace iwth 178 bbl.of cla-sta water and had a final circ.psi of 1160#. Bump plug at 1750# at 1:30AM on 12/27/13 and float held. Pack off wellhead and test to 5M#-OK. ND and clean pits. Release rig at 6:00AM on 12/27/13. NOTE: Rig will move on 12/28/13 as they do some repairs on 12/27/13..

UTE 23 3A-4-1 8/8/2013 Location and access road is 60% complete. All agencies notified prior to construction. Paleo will be spot checked.

UTE 23 3A-4-1 8/9/2013 Will finish pit and location on 8/9/13

UTE 23 3A-4-1 8/12/2013 Should finish location and pit on 8/12/13.

UTE 23 3A-4-1 8/13/2013 On 8/12/13 finish pit area and location. Report discontinued until further activity.

UTE 23 3A-4-1 8/14/2013 On 8/13/13 pad and access road are complete. Still need to line and fence pit. RDUFA.

UTE 23 3A-4-1 8/21/2013 On PM of 8/20/13 MIRU Pete Martin bucket rig. Spot in rig. On 8/21/13 will spud conductor hole.

UTE 23 3A-4-1 12/4/2013 On 12/3/13 MIRU Pro-Petro air mist rig. Spud 12-1/4" hole at 10:00AM and air mist drill to 505'. Ran 12 jts.of new 8-5/8" 24# J-55 ST&C csg.to 502'. Land csg..Will cement on 12/5/13.

UTE 23 3A-4-1 12/6/2013 On 12/5/13 MIRU Pro-Petro cementers. Cement 8-5/8" surface csg.using 360 sxs.of "G" cement with 1/4# flocele and 2% CaCl as follows: Pump 10 bbl.of water, 40 bbl.of gel water and 10 bbl.of water followed by 360 sxs.of cement and drop plug and displace with 28 bbl.of water. Had est.80 sxs.of cement to surface and hole standing full. Csg.landed at 502' and baffle plate at 455'. RDUFA.

UTE 23 3A-4-1 2/7/2014 On 2/4/14 MIRU Cutters WL. Ran a CBL/VDL/GR log from tag at 7484' to surface. Correlated the log to the Halliburton Density log dated 12/26/13. Top of lead cement est.at 250' with top of tail cement est.at 800'. RDMO Cutters WL. RDUFA.

UTE 23 3A-4-1 4/25/2014 Ute 23-3A-4-1: Report date 4/25/14 for work performed on 4/24/14: On 4/24/14 MIRU The Perforators WL. NOTE: Frac head had been installed and csg.and head tested to 3800# on 4/23/14. Zone #1: Perforate the following Wasatch/Uteland Butte intervals using a 3-1/8" csg.gun at 4 JPF and 90* phasing per the Halliburton Density log dated 12/26/13: 7002-04'; 7030-33'; 7055-58'; 7125-28' & 7163-66' (56 holes). No pressure prior to or after perforating. Hole was full of water. MIRU Halliburton frac crew. Will proceed with fracs on 4/25/14.

UTE 23 3A-4-1 4/26/2014 Ute 23-3A-4-1: Report for 4/26/14 for frac work done on 4/25/14: On 4/25/14 SICP=150# from Zone #1 (7002-7166'): Frac with Halliburton down 5-1/2" csg.using a 20# x-link gel water system with 1000 gal. of 15% HCL and a total of 80M# of sand and a total of 1163 bbl..Max.rate=60.5; Ave=60 BPM; Max.psi=3337#; Ave=2955#; ISIP=2435# (.78). Set a composite frac plug at 6970'. Zone #2: Perforate the following Uteland Butte zones at 3 JPF using a 3-1/8" csg.gun at 3 JPF and 120* phasing per Halliburton Density log dated 12/26/13: 6857-59'; 6908-10'; 6915-17'; 6931-33 & 6943-45'. Frac this interval using 1500 gal.of 15% HCL and a 20# HYBRID system with 80M# of 20/40 sand and a total load of 1774 bbl..Max.rate=60.4; Ave=59.5 BPM; Max.psi=3562#; Ave=3059#; ISIP=2422# (.78). Set a frac plug at 6840'. Zone #3: Perforate the following Castle Peak intervals per above gun and log: 6734-36'; 6765-67'; 6782-84' and 6798-6802'. Frac this interval with a 17# HYBRID using 80M# of 20/40 sand and a total load of 1589 bbl..Max.rate=60.7; Ave=58.2 BPM; Max.psi=3887#; Ave=2930#; ISIP=2200# (.76). Set a frac plug at 6700'. Zone #4: Perforate Castle Peak per above gun and log: 6583-85'; 6590-94' & 6633-35'. Frac this interval with a 17# x-link gel water system using 60M# of 20/40 sand and a total load of 780 bbl..Max.psi=3008#; Ave=2982#; Max.rate=60.7; Ave=59.9 BPM; ISIP=1654# (.68). Set a frac plug at 6520'. Zone #5: Perforate the following Castle Peak/Black Shale intervals per the above gun and log: 6406-08'; 6466-70' & 6489-91'. Frac using a 17# x-link gel water system with 60M# of 20/40 sand and a total load of 650 bbl..Max.rate=60.7; Ave=60 BPM; Max.psi=2956#; Ave=2544#; ISIP=1946# (.74). Set a frac plug at 6350'. Zone #6: Perforate the following Black Shale/Douglas Creek intervals per above gun and log: 6289-91'; 6297-99'; 6313-15' & 6326-28'. Frac this interval using a 17# x-link gel water system and 60M# of 20/40 sand and a total load of 649 bbl..Max.rate=60; Ave=59.4 BPM; Max.psi=3388#; Ave=2975#; ISIP=2308# (.80). Set a frac plug at 6200'. Zone #7: Perforate the following Douglas Creek interval per above gun and log: 5982-88'. SIFN. On 4/26/14 will continue with fracs.

UTE 23 3A-4-1 4/27/2014 Ute 23-3A-4-1: Report for 4/27-28/14 for work done on 4/26/14 and subsequent flow back: On 4/26/14 SICP=1250#. Frac zone #7 (Douglas Creek –5982-88') using a 17# x-

link gel water system with 60M# of 20/40 mesh sand and a total load of 646 bbl..Max.rate=61.6; Ave=58.1; Max.psi=3410#; Ave=3328#; ISIP=1895# (.75). Set a comp.frac plug at 5300'. Zone #8: Perforate the following Garden Gulch zones using a 3-1/8" csg.gun at 3 JPF and 120* phasing per the OH Halliburton Density log: 5054-57' & 5180-84' (21 holes). Frac this interval with a 17# x-link gel water system with 40M# of 20/40 sand and a total of 478 bbl..Max.rate=60.1; Ave=59.1; Max.psi=2706#; Ave=2490#; ISIP=1661# (.76); Set a frac plug at 5020'. Zone #9: Perforate per the above gun and log the following Mahagony Bench/Garden Gulch intervals: 4920-22'; 4959-62' & 4999-5001' (21 holes). Frac this interval with a 17# x-link gel water system using 40M# of 20/40 sand and a total load of 545 bbl..Max.rate=60.2; Ave=59.6; Max.psi=2877#; Ave=2381#; ISIP=1191# (.67). Have a cumulative to recover of 7400 bbl.. SI the well and RD wireline and Halliburton frac crew. Leave the well SI for 3 hours. After a 3 hour SI period SICP=950#. Open the csg.on a 16/64" choke and flow on various chokes until a full open 2" choke and recovered a trace of sand and a trace of oil and a total recovery of 2460 bbl.of water. No gas. Final FCP on a full 2" line was 15# at a final rate of 25 bbl.per hour of water with a small trace of oil. Si the well at 7:00PM on 4/27/14. On 4/28/14 will MI completion rig and set kill plug.

UTE 23 3A-4-1 4/29/2014 On 4/28/14 SICP=300#. Bled down and recovered 3 bbl.of oil and flowing water. SI the well. MIRU Monument WS and The Perforators. Set a comp.BP at 4800'. Release WL. Bled off well. ND frac head and NU BOP. Tally and rabbit in the hole with new 2-7/8" EUE 8rd J-55 6.5# tbg.and 4-5/8" mill and pump off bit sub assembly to 4700'. SIFN. On 4/29/14 will start to drill out plugs.

UTE 23 3A-4-1 4/30/2014 On 4/29/14 SITP and SICP=0# with comp.BP set at 4800'. Est.circ.and drill out comp.BP at 4800'. Had a 200# increase. Continue in the hole and drill out frac plugs at 5020'; 5300'; 6200'; 6350'; 6520'; 6700'; 6840' and 6970'. No sand on any plugs. Continue in the hole and tag fill at 7446' and clean out to PBTD of 7480'. Circ.hole clean with 2% KCL water. SIFN. On 4/30/14 will spot rat hole chemical and POOH with mill and run production tbg..

UTE 23 3A-4-1 5/1/2014 On 4/30/14 SITP=0# with float in string and SICP=200#. Bled off. Spot rat hole chemical at PBTD. POOH with approx.4000' of tbg.and csg.started to flow. Pump 40 bbl.brine down csg..Finish POOH with mill. LD mill and pump off bit sub assembly. RIH with production tbg..Csg.flowing. Pump a total of 45 bbl.of brine down tbg.and csg.to kill well and let it balance out and csg.would not die. Could not ND BOP'.s. On 5/1/14 will ND BOP's and set anchor and NUWH and run rods and pump.

UTE 23 3A-4-1 5/2/2014 On 5/1/14 SICP=100# and SITP=0#. Open csg.to blow down to ND BOP's. Csg.flowing oil and water. Pump 40 bbl.of brine down the csg.and 30 bbl.of brine down the tbg.to kill well. SI for 1 hour. Open csg.and csg.flowing back to tank. Flow back the csg.for 6 hours and recovered 300 bbl.of water, 100 bbl.of brine and 30 bbl.of oil . Left csg.flowing overnight. On 5/2/14 will attempt to ND BOP's and NUWH again.

UTE 23 3A-4-1 5/5/2014 On 5/2/14 well was flowing oil at a rate of 5 BO/hr. up the csg..Pump 40 bbl.of brine down the tbg.followed by 30 bbl.of KCL water. Csg.died. ND BOP's and NUWH. Flush tbg.with 50 bbl.of hot KCL water. Tbg.flowing. Pump 30 bbl.of brine down the tbg..Dead. Bucket test new pump. OK. RIH with rods and pump. Fill tbg.and seat pump and long stroke to 800#--OK. Clamp off rods. Too windy to rig down. Will rig down on 5/5/14. Final report of completion. Tbg.Detail: 2-7/8" bull plug(0.7'); 4

jts.of tbg.(130.01'); Perf.sub (4.10'); SN=(1.1'); 16 jts.of tbg.(520.33'); TAC with 12M# tension; 147jts.(4771.34'); Stretch (1.0'); KB (13'). Tbg.tail at 5444.28'; SN at 5309.47'; TAC at 4788.04'). All tbg.is new 2-7/8" EUE 8rd J=55 6.5#. Pump: 2-1/2"x1-3/4"x16'x18' RHAC with a 20' dip tube. Rods: 11-4'x1" stabilizers; 10x1-1/2" sinker bars; 10x3/4" guided rods; 108x3/4" plain rods; 80x7/8" plain rods; 1-2'; 4'; 6'; 8'x7/8" pony rods; 1-1/2"x26' polish rod.

UTE 23 3A-4-1 5/18/2014 On 5/17/14 continue to rock location and access road. Should finish on 5/19/14.

	FORM 9							
1	5.LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4902							
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:							
Do not use this form for procurrent bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME:							
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Ute 23-3A-4-1							
2. NAME OF OPERATOR: FINLEY RESOURCES INC	9. API NUMBER: 43047533820000							
3. ADDRESS OF OPERATOR: PO Box 2200 , Fort Worth,	TX, 76113 817 231		NE NUMBER: Ext	9. FIELD and POOL or WILDCAT: WINDY RIDGE				
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0486 FNL 1611 FWL				COUNTY: UINTAH				
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NENW Section:	HP, RANGE, MERIDIAN: 23 Township: 04.0S Range: 01.0E M	eridian:	U	STATE: UTAH				
11. CHEC	K APPROPRIATE BOXES TO INDIC	CATE N	ATURE OF NOTICE, REPOR	T, OR OTHER DATA				
TYPE OF SUBMISSION			TYPE OF ACTION					
_	ACIDIZE		ALTER CASING	CASING REPAIR				
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS		CHANGE TUBING	CHANGE WELL NAME				
SUBSEQUENT REPORT	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE				
Date of Work Completion:	DEEPEN	☐ F	FRACTURE TREAT	NEW CONSTRUCTION				
	OPERATOR CHANGE	∐ F	PLUG AND ABANDON	PLUG BACK				
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	☐ F	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION				
	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON				
✓ DRILLING REPORT	TUBING REPAIR		VENT OR FLARE	WATER DISPOSAL				
Report Date: 5/7/2014	WATER SHUTOFF		SI TA STATUS EXTENSION	APD EXTENSION				
5/7/2014	WILDCAT WELL DETERMINATION		OTHER	OTHER:				
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly sho	ow all pe	rtinent details including dates, d	epths, volumes, etc. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 06, 2014				
NAME (PLEASE PRINT) April Wilkerson	PHONE NUI 817 231-8735	MBER	TITLE Reg & Enviro Analyst					
SIGNATURE N/A			DATE 10/2/2014					

UTE 23 3A-4-1 12/21/2013 1 MIRU Capstar #328. NU BOPE and flowline. Hold safety mtg.and test blind and pipe rams and valves and choke and kill lines to 3000# and annular to 1500# and csg.to 1500#. Install wear busining. Load and PU BHA and tag cement at 475'. Drill cement and float and shoe at 475' to 523'. Drill new hole from 523' to 678'. 678 2.5 \$

UTE 23 3A-4-1 12/22/2013 2 Drilling from 678' to 3400'. RS and function test. Surveys (5). 3400 21 \$

UTE 23 3A-4-1 12/23/2013 3 Drilling from 3400 to 4800. RS. Surveys (3). 4800 21.5 \$40070

UTE 23 3A-4-1 12/24/2013 4 Drilling from 4800' to 6100'. RS and function test rams. Surveys (2). 6100 22.5 \$

UTE 23 3A-4-1 12/25/2013 5 Drilling from 6100' to 7266'. Surveys (3). RS and function test BOP's. Lost circ.and mix.LCM sweeps. 7266 20.5 \$

UTE 23 3A-4-1 12/26/2013 6 Drill from 7266' to TD of 7545'. Circ.up sample and pump sweep and pump 230 bbl.of high vis.10 ppg brine and drop survey. LDDP and BHA--no tight spots. Safety mtg.and RU Halliburton loggers and tag WL TD at 7540'. Ran logs and RD loggers.. 7545 6.5 \$

UTE 23 3A-4-1 12/27/2013 7 RD loggers and equipment. Pull wear bushing. RU and run production csg.to 3000'. Break circ.at 3000'. Cont.to run csg.to 5000'. Break circ.at 5000'. Cont.to run 5-1/2" prod.csg. Ran a total of 178 jts.of new 5-1/2" 15.5# LT&C J-55 csg.and land csg.at 7530' after tagging at 7545'. Circ.csg.and RU Halliburton cementers and hold safety mtg... Test lines and cement prod.string with 400 sxs.of 10.5 ppg lead and 700 sxs.12 ppg tail and wash up and drop plug and displace iwth 178 bbl.of cla-sta water and had a final circ.psi of 1160#. Bump plug at 1750# at 1:30AM on 12/27/13 and float held. Pack off wellhead and test to 5M#-OK. ND and clean pits. Release rig at 6:00AM on 12/27/13. NOTE: Rig will move on 12/28/13 as they do some repairs on 12/27/13.. 7545 0 \$

UTE 23 3A-4-1 8/8/2013 Location and access road is 60% complete. All agencies notified prior to construction. Paleo will be spot checked. \$0

UTE 23 3A-4-1 8/9/2013 Will finish pit and location on 8/9/13. \$0

UTE 23 3A-4-1 8/12/2013 Should finish location and pit on 8/12/13. \$0

UTE 23 3A-4-1 8/13/2013 On 8/12/13 finish pit area and location. Report discontinued until further activity. \$0

UTE 23 3A-4-1 8/14/2013 On 8/13/13 pad and access road are complete. Still need to line and fence pit. RDUFA. \$0

UTE 23 3A-4-1 8/21/2013 On PM of 8/20/13 MIRU Pete Martin bucket rig. Spot in rig. On 8/21/13 will spud conductor hole. \$0

UTE 23 3A-4-1 12/4/2013 On 12/3/13 MIRU Pro-Petro air mist rig. Spud 12-1/4" hole at 10:00AM and air mist drill to 505'. Ran 12 jts.of new 8-5/8" 24# J-55 ST&C csg.to 502'. Land csg..Will cement on 12/5/13. \$0

UTE 23 3A-4-1 12/6/2013 On 12/5/13 MIRU Pro-Petro cementers. Cement 8-5/8" surface csg.using 360 sxs.of "G" cement with 1/4# flocele and 2% CaCl as follows: Pump 10 bbl.of water, 40 bbl.of gel water and 10 bbl.of water followed by 360 sxs.of cement and drop plug and displace with 28 bbl.of water. Had est.80 sxs.of cement to surface and hole standing full. Csg.landed at 502' and baffle plate at 455'. RDUFA. \$0

UTE 23 3A-4-1 2/7/2014 On 2/4/14 MIRU Cutters WL. Ran a CBL/VDL/GR log from tag at 7484' to surface. Correlated the log to the Halliburton Density log dated 12/26/13. Top of lead cement est.at 250' with top of tail cement est.at 800'. RDMO Cutters WL. RDUFA. \$

UTE 23 3A-4-1 4/25/2014 Ute 23-3A-4-1: Report date 4/25/14 for work performed on 4/24/14: On 4/24/14 MIRU The Perforators WL. NOTE: Frac head had been installed and csg.and head tested to 3800# on 4/23/14. Zone #1: Perforate the following Wasatch/Uteland Butte intervals using a 3-1/8" csg.gun at 4 JPF and 90* phasing per the Halliburton Density log dated 12/26/13: 7002-04'; 7030-33'; 7055-58'; 7125-28' & 7163-66' (56 holes). No pressure prior to or after perforating. Hole was full of water. MIRU Halliburton frac crew. Will proceed with fracs on 4/25/14. \$0

UTE 23 3A-4-1 4/26/2014 Ute 23-3A-4-1: Report for 4/26/14 for frac work done on 4/25/14: On 4/25/14 SICP=150# from Zone #1 (7002-7166'): Frac with Halliburton down 5-1/2" csg.using a 20# x-link gel water system with 1000 gal. of 15% HCL and a total of 80M# of sand and a total of 1163 bbl..Max.rate=60.5; Ave=60 BPM; Max.psi=3337#; Ave=2955#; ISIP=2435# (.78). Set a composite frac plug at 6970'. Zone #2: Perforate the following Uteland Butte zones at 3 JPF using a 3-1/8" csg.gun at 3 JPF and 120* phasing per Halliburton Density log dated 12/26/13: 6857-59'; 6908-10'; 6915-17'; 6931-33 & 6943-45'. Frac this interval using 1500 gal. of 15% HCL and a 20# HYBRID system with 80M# of 20/40 sand and a total load of 1774 bbl..Max.rate=60.4; Ave=59.5 BPM; Max.psi=3562#; Ave=3059#; ISIP=2422# (.78). Set a frac plug at 6840'. Zone #3: Perforate the following Castle Peak intervals per above gun and log: 6734-36'; 6765-67'; 6782-84' and 6798-6802'. Frac this interval with a 17# HYBRID using 80M# of 20/40 sand and a total load of 1589 bbl..Max.rate=60.7; Ave=58.2 BPM; Max.psi=3887#; Ave=2930#; ISIP=2200# (.76). Set a frac plug at 6700'. Zone #4: Perforate Castle Peak per above gun and log: 6583-85'; 6590-94' & 6633-35'. Frac this interval with a 17# x-link gel water system using 60M# of 20/40 sand and a total load of 780 bbl..Max.psi=3008#; Ave=2982#; Max.rate=60.7; Ave=59.9 BPM; ISIP=1654# (.68). Set a frac plug at 6520'. Zone #5: Perforate the following Castle Peak/Black Shale intervals per the above gun and log: 6406-08'; 6466-70' & 6489-91'. Frac using a 17# x-link gel water system with 60M# of 20/40 sand and a total load of 650 bbl..Max.rate=60.7; Ave=60 BPM; Max.psi=2956#; Ave=2544#; ISIP=1946# (.74). Set a frac plug at 6350'. Zone #6: Perforate the following Black Shale/Douglas Creek intervals per above gun and log: 6289-91'; 6297-99'; 6313-15' & 6326-28'. Frac this interval using a 17# x-link gel water system and 60M# of 20/40 sand and a total load of 649 bbl..Max.rate=60; Ave=59.4 BPM; Max.psi=3388#; Ave=2975#; ISIP=2308# (.80). Set a frac plug at 6200'.

Zone #7: Perforate the following Douglas Creek interval per above gun and log: 5982-88'. SIFN. On 4/26/14 will continue with fracs. \$0

UTE 23 3A-4-1 4/27/2014 Ute 23-3A-4-1: Report for 4/27-28/14 for work done on 4/26/14 and subsequent flow back: On 4/26/14 SICP=1250#. Frac zone #7 (Douglas Creek -5982-88') using a 17# xlink gel water system with 60M# of 20/40 mesh sand and a total load of 646 bbl..Max.rate=61.6; Ave=58.1; Max.psi=3410#; Ave=3328#; ISIP=1895# (.75). Set a comp.frac plug at 5300'. Zone #8: Perforate the following Garden Gulch zones using a 3-1/8" csg.gun at 3 JPF and 120* phasing per the OH Halliburton Density log: 5054-57' & 5180-84' (21 holes). Frac this interval with a 17# x-link gel water system with 40M# of 20/40 sand and a total of 478 bbl..Max.rate=60.1; Ave=59.1; Max.psi=2706#; Ave=2490#; ISIP=1661# (.76); Set a frac plug at 5020'. Zone #9: Perforate per the above gun and log the following Mahagony Bench/Garden Gulch intervals: 4920-22'; 4959-62' & 4999-5001' (21 holes). Frac this interval with a 17# x-link gel water system using 40M# of 20/40 sand and a total load of 545 bbl..Max.rate=60.2; Ave=59.6; Max.psi=2877#; Ave=2381#; ISIP=1191# (.67). Have a cumulative to recover of 7400 bbl.. SI the well and RD wireline and Halliburton frac crew. Leave the well SI for 3 hours. After a 3 hour SI period SICP=950#. Open the csg.on a 16/64" choke and flow on various chokes until a full open 2" choke and recovered a trace of sand and a trace of oil and a total recovery of 2460 bbl.of water. No gas. Final FCP on a full 2" line was 15# at a final rate of 25 bbl.per hour of water with a small trace of oil. Si the well at 7:00PM on 4/27/14. On 4/28/14 will MI completion rig and set kill plug. \$

UTE 23 3A-4-1 4/29/2014 On 4/28/14 SICP=300#. Bled down and recovered 3 bbl.of oil and flowing water. SI the well. MIRU Monument WS and The Perforators. Set a comp.BP at 4800'. Release WL. Bled off well. ND frac head and NU BOP. Tally and rabbit in the hole with new 2-7/8" EUE 8rd J-55 6.5# tbg.and 4-5/8" mill and pump off bit sub assembly to 4700'. SIFN. On 4/29/14 will start to drill out plugs. \$

UTE 23 3A-4-1 4/30/2014 On 4/29/14 SITP and SICP=0# with comp.BP set at 4800'. Est.circ.and drill out comp.BP at 4800'. Had a 200# increase. Continue in the hole and drill out frac plugs at 5020'; 5300'; 6200'; 6350'; 6520'; 6700'; 6840' and 6970'. No sand on any plugs. Continue in the hole and tag fill at 7446' and clean out to PBTD of 7480'. Circ.hole clean with 2% KCL water. SIFN. On 4/30/14 will spot rat hole chemical and POOH with mill and run production tbg.. \$

UTE 23 3A-4-1 5/1/2014 On 4/30/14 SITP=0# with float in string and SICP=200#. Bled off. Spot rat hole chemical at PBTD. POOH with approx.4000' of tbg.and csg.started to flow. Pump 40 bbl.brine down csg..Finish POOH with mill. LD mill and pump off bit sub assembly. RIH with production tbg..Csg.flowing. Pump a total of 45 bbl.of brine down tbg.and csg.to kill well and let it balance out and csg.would not die. Could not ND BOP'.s. On 5/1/14 will ND BOP's and set anchor and NUWH and run rods and pump. \$

UTE 23 3A-4-1 5/2/2014 On 5/1/14 SICP=100# and SITP=0#. Open csg.to blow down to ND BOP's. Csg.flowing oil and water. Pump 40 bbl.of brine down the csg.and 30 bbl.of brine down the tbg.to kill well. SI for 1 hour. Open csg.and csg.flowing back to tank. Flow back the csg.for 6 hours and recovered 300 bbl.of water, 100 bbl.of brine and 30 bbl.of oil . Left csg.flowing overnight. On 5/2/14 will attempt to ND BOP's and NUWH again. \$

UTE 23 3A-4-1 5/5/2014 On 5/2/14 well was flowing oil at a rate of 5 BO/hr. up the csg..Pump 40 bbl.of brine down the tbg.followed by 30 bbl.of KCL water. Csg.died. ND BOP's and NUWH. Flush tbg.with 50 bbl.of hot KCL water. Tbg.flowing. Pump 30 bbl.of brine down the tbg..Dead. Bucket test new pump. OK. RIH with rods and pump. Fill tbg.and seat pump and long stroke to 800#--OK. Clamp off rods. Too windy to rig down. Will rig down on 5/5/14. Final report of completion. Tbg.Detail: 2-7/8" bull plug(0.7'); 4 jts.of tbg.(130.01'); Perf.sub (4.10'); SN=(1.1'); 16 jts.of tbg.(520.33'); TAC with 12M# tension; 147jts.(4771.34'); Stretch (1.0'); KB (13'). Tbg.tail at 5444.28'; SN at 5309.47'; TAC at 4788.04'). All tbg.is new 2-7/8" EUE 8rd J=55 6.5#. Pump: 2-1/2"x1-3/4"x16'x18' RHAC with a 20' dip tube. Rods: 11-4'x1" stabilizers; 10x1-1/2" sinker bars; 10x3/4" guided rods; 108x3/4" plain rods; 80x7/8" plain rods; 1-2'; 4'; 6'; 8'x7/8" pony rods; 1-1/2"x26' polish rod. \$

UTE 23 3A-4-1 5/18/2014 On 5/17/14 continue to rock location and access road. Should finish on 5/19/14. \$0

UTE 23 3A-4-1 8/7/2014 Spot in rig and rig up. Unhang head, Unseat pump and RU hot oiler. Flush tubing w/40 bbls hot water. TOOH w/rods, LD k-bars, pump and dip tube. X-over blocks for tubing, ND wellhead, release TAC, NU BOP's and TOOH w/tubing. LD TAC, PSN, and perf sub. MU bit and bit sub, TIH w/106 joints of tubing to 3445'. Secure well, SDFN. \$

UTE 23 3A-4-1 8/8/2014 JSA, Safety meeting Bleed off well, open pipe rams. Continue to TIH w/tubing. Tagged @ 7467', 13' of fill. LD 13 joints on trailer and TOOH w/tubing. Broke out bit and bit sub. TIH w/bull plug, 4 joints, 4' perf sub, PSN, 9 joints, TAC, 206 joints. RD floor, ND BOP's and set TAC @6701' in 10K tension. PSN @ 6994', EOT @7129'. NU well head, X-over blocks for tubing, Secure well. SDFN. \$

UTE 23 3A-4-1 8/9/2014 JSA, Safety meeting, open up well. PU and prime new pump, MU dip tibe, PU 10 K-bars w/stab subs and TIH w/10 guided 3/4", 150 slick 3/4", and 106 slick 7/8". PU 2-2'X7/8" subs and polished rod, Seat pump, fill tubing w/25 bbls and test. Good test. Hang horse head, RD, SDFN. \$

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES												AMENDED REPORT FORM 8 (highlight changes)					
DIVISION OF OIL, GAS AND MINING												5. 1	5. LEASE DESIGNATION AND SERIAL NUMBER:				
WELI	L CON	/IPLE	TION	OR I	RECC	MPL	ETIC	N RI	EPOR	T ANI	D LOG	6. 1	F INDIAN, A	LLOTTEE OR TRI	BE NAME		
1a. TYPE OF WELL:	:	(OIL C		GAS WELL		DRY [OTHE	R		7. \	JNIT or CA A	AGREEMENT NAM	1E		
b. TYPE OF WORK	(: HORIZ. L LATS. L	7 [DEEP-	7	RE- ENTRY	7	DIFF. RESVR.	7	ОТНЕ	-R		8. \	WELL NAME	and NUMBER:			
2. NAME OF OPERA												9. /	API NUMBER	₹:			
3. ADDRESS OF OF	3. ADDRESS OF OPERATOR: CITY STATE ZIP PHONE NUMBER:												FIELD AND F	POOL, OR WILDC	AT		
CITY STATE ZIP 4. LOCATION OF WELL (FOOTAGES) AT SURFACE:												11.	QTR/QTR, S MERIDIAN:	SECTION, TOWNS	SHIP, RANGE,		
AT TOP PRODUC	CING INTER	RVAL REPO	ORTED BE	ELOW:													
AT TOTAL DEPT	H:											12.	COUNTY	1	3. STATE UTAH		
14. DATE SPUDDED: 15. DATE T.D. REACHED: 16. DATE COMPLETED: ABANDONED READY TO PRODUCE 17. ELEVATIONS (DF, RKB, RT, GL):												, RT, GL):					
18. TOTAL DEPTH:	MĐ TVD			19. PLUG	BACK T.E	D.: MD TVD			20. IF M	IULTIPLE C	OMPLETIONS, H	OW MANY? *	21. DEPTI PLU	H BRIDGE MD IG SET:			
22. TYPE ELECTRIC		ER MECHA	NICAL LO	OGS RUN ((Submit cop)			23.				IVL	,		
										WAS DST	L CORED? RUN? NAL SURVEY?	NC NC	YE	ES (Subr	nit analysis) nit report) nit copy)		
24. CASING AND LI	NER RECO	RD (Repor	t all strinç	gs set in w	rell)												
HOLE SIZE	SIZE/GI	RADE	WEIGH	T (#/ft.)	TOP	(MD)	вотто	M (MD)		EMENTER PTH	CEMENT TYPE NO. OF SACK		JRRY ME (BBL)	CEMENT TOP **	AMOUNT PULLED		
25. TUBING RECOR			1				1			1			- 1				
SIZE	DEPTH	H SET (MD)	PACI	KER SET (MD)	SIZE		DEPTH	I SET (MD)	PACKE	R SET (MD)	SIZE	DE	PTH SET (MD)	PACKER SET (MD)		
26. PRODUCING IN	TERVALS		-							27. PERFO	RATION RECOR	D					
FORMATION	NAME	TO	P (MD)	BOTTO	OM (MD)	TOP	(TVD)	вотто	M (TVD)	INTERVA	AL (Top/Bot - MD)	SIZE	NO. HOLE	S PERFOR	PERFORATION STATUS		
(A)														Open	Squeezed		
(B)														Open	Squeezed		
(C)														Open	Squeezed		
(D)														Open	Squeezed		
28. ACID, FRACTUR	RE, TREATI	MENT, CEN	IENT SQL	JEEZE, ET	c.		J		-								
DEPTH I	INTERVAL								AMC	OUNT AND	TYPE OF MATER	IAL					
00 F1121 25== :		<u> </u>												1_,			
29. ENCLOSED ATT	ACHMENT	૪:										_		30. WEL	L STATUS:		
=	RICAL/MEC			D CEMENT	Γ VERIFIC <i>i</i>	ATION	=	GEOLOG	IC REPORT	\equiv	DST REPORT OTHER:	DIRE	CTIONAL SU	JRVEY			
				-			_		-								

(CONTINUED ON BACK)

31. INITIAL PRO	DUCTION				INT	ERVAL A (As sho	wn in item #26)						
DATE FIRST PR	DATE FIRST PRODUCED: TEST DATE:			HOURS TESTED	D:	TEST PRODUCTIO RATES: →	N (OIL – BBL:	GAS – MCF:	WATER -	BBL:	PROD. METHOD:	
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GRA	AVITY			24 HR PRODUCTION RATES: →		OIL – BBL:	GAS – MCF:	WATER -	BBL:	INTERVAL STATUS:
			-		INT	ERVAL B (As sho	wn in item #26)						
DATE FIRST PRODUCED: TEST DATE:					HOURS TESTED	D:	TEST PRODUCTIO RATES: →	N (OIL – BBL:	GAS – MCF:	WATER -	BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GRA	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	ON (OIL – BBL:	GAS – MCF:	WATER -	BBL:	INTERVAL STATUS:
					INT	ERVAL C (As sho	wn in item #26)						
DATE FIRST PRODUCED: TEST DATE:					HOURS TESTED	TEST PRODUCTION RATES: →		OIL – BBL:	GAS - MCF:	WATER -	BBL:	PROD. METHOD:	
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GRA	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	ON (OIL – BBL:	GAS – MCF:	WATER -	BBL:	INTERVAL STATUS:
			•		INT	ERVAL D (As sho	wn in item #26)				•		
DATE FIRST PR	DATE FIRST PRODUCED: TEST DATE:			HOURS TESTED	D:	TEST PRODUCTIO RATES: →	N (OIL – BBL:	GAS – MCF:	WATER -	BBL:	PROD. METHOD:	
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GRA	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	ON (OIL – BBL:	GAS – MCF:	WATER -	BBL:	INTERVAL STATUS:
32. DISPOSITIO	N OF GAS (Sold	, Used for Fu	el, Vented, Etc.	.)				•			•		
33. SUMMARY	OF POROUS ZON	IES (Include	Aquifers):					34.	FORMATION	(Log) MARKERS:			
	nt zones of porosi sed, time tool ope					n tests, including de	epth interval						
Formation	on	Top (MD)	Bottom (MD)		Descrip	tions, Contents, etc).	Name Top (Measured Depth)					
35. ADDITIONA	L REMARKS (Inc	lude pluggin	g procedure)								•		
36. I hereby cer	tify that the foreg	going and att	ached informa	tion is co	omplete and corre	ect as determined	from all available re	ecord	ds.				
NAME (PLEAS	E PRINT)						TITLE						
SIGNATURE							DATE						

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.